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## Japan

### Fresh Deciduous Fruit

### Annual

### 2002

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#### Report Highlights:

Japanese table grape production is expected to increase 4 percent in 2002 to 235,200 metric tons. Japanese traders remarked that California Red Globes had excellent taste, appearance and fruit arrival condition, and have good marketing potential. An oversupply of domestic apples led to a difficult market in 2001, with the Japanese apple crop expected to decline 2 percent in 2002, to 911,900 metric tons, market prices are already higher than last year.

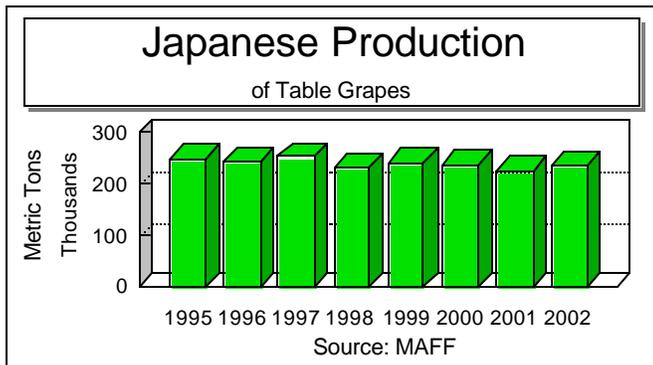
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## The 2002 Japanese Table Grape Production is Expected to Increase 4 Percent

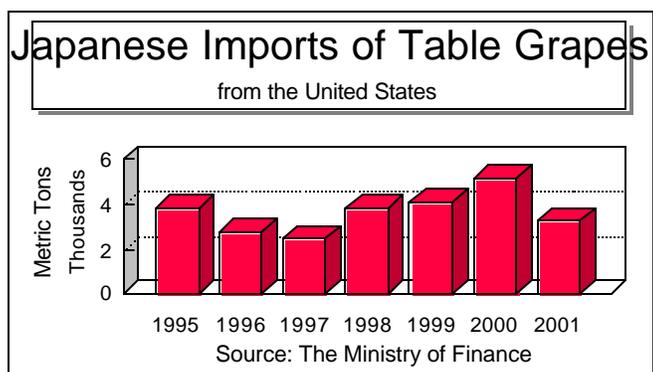


Japanese table grape production is expected to increase 4 percent in the 2002 season, to 235,200 metric tons, according to the Ministry of Agriculture, Forestry and Fisheries (MAFF). Japan experienced relatively mild weather in the spring, when flowering, pollinating and fruiting took place. Growth went extremely well with good weather in to the summer. The harvested area for table grapes continued to decline, approximately 1 percent annually, due to the aging farm population. The new crop of table grape shipments started in early July and will continue until mid-October, with the peak

shipments from August through September. Approximately 90 percent of Japanese table grapes are consumed fresh, with the rest destined for processing into wines and juices. "Kyoho" variety, a dark colored large sized fruit, is the most popular grape produced in Japan (approximately 32 percent of the total production), followed by Delaware (20 percent), and Pione (8.5 percent), a green colored large sized fruit.

Kyoho grapes retailed at 600 - 700 yen (\$4.89 - \$5.71) for a pack of one cluster (approximately 550 grams) at Tokyo supermarkets. Delaware grapes sold at 580 yen (\$4.73) for a pack of 4 clusters and 300 yen (\$2.44) for a pack of 2 clusters. Kaiji grapes sold at 700 yen (\$5.71) for a pack of one cluster (approximately 550 grams).

## California Red Globes Have Good Marketing Potential



The quality of California Red Globes is reportedly excellent, in terms of taste, appearance and fruit arrival condition, according to Tokyo Ohta Market traders. The shelf-life of California Red Globes is significantly better than Japanese Kyoho grapes. Good packing and handling practices by California growers has significantly improved the shelf-life of California Red Globes.

Ohta Wholesale Market traders suggested that the marketing of California table grapes should start after the domestic table grape season ends. Japanese late variety table grapes, "Kaiji" and "Koshu" are currently in the Japanese market and continue to be marketed until mid-October. Japanese traders commented that California Red Globes with especially large sized fruit have a good market potential in Japan; however, Red Globes with small sized fruit were more difficult to market.

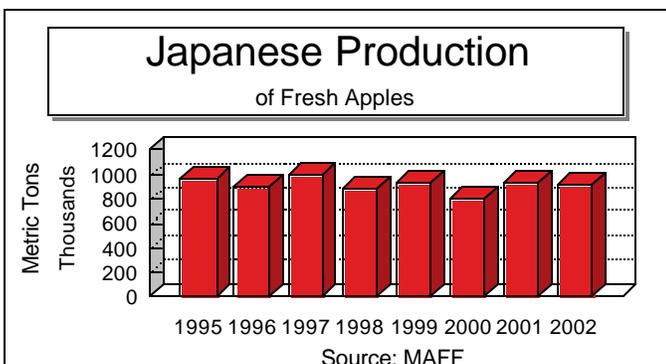
In the 2001 season, Japanese imports of California table grapes were 3,222 metric tons, down approximately 38 percent from the previous season. Tokyo traders explained that the decline in imports in 2001 was caused by (1) an extended marketing season for Japanese table grapes, (2) good domestic Mikan sales in 2001, and, (3) a higher U.S. export price for table grapes. The new crop of 2002 California Red Globes arrived in the Japanese market in September, and are currently traded at 3,600 yen (\$29.39) for a 9 kilogram case at Tokyo Ohta Wholesale Market.

## Complementing U.S. Exports, Chilean Table Grapes Establish in Japan

In the 2002 season, Chile sold 8,294 metric tons of table grapes in Japan, up 6.5 percent from the previous season, valued at \$12.28 million (CIF). California and Chile established a "Red Globe" market in Japan with a reputation for quality among Japanese consumers and traders. With Chile's counter-seasonal supply of table grapes to Japan, they have become a year-round fruit in Japan. California supplies table grapes to Japan from September through December, while Chile ships from January through June. In mid-May 2002, Chilean Red Globes were traded at 2,700 - 3,000 yen (\$22.04 - \$24.49) for a case of 7.7 kilograms at Tokyo Ohta Wholesale Market. One cluster packs (approximately 400 grams) traded for 250 yen (\$2.04).

## The 2002 Japanese Apple Crop is Expected to Decline 2 Percent

The 2002 Japanese apple production is expected to be 911,900 metric tons, down approximately 2 percent from the previous year, according to the Ministry of Agriculture, Forestry and Fisheries (MAFF). The harvested area for apples continued to decline approximately 2 percent annually, to 42,400 hectares in 2002, due to the aging farm population. "Fuji" apple is the most popular variety harvested in Japan (approximately 55 percent of the total harvest), followed by "Tsugaru" apple (approximately 13 percent), "Jona Gold" (approximately 9 percent) and "Ohrin" (approximately 9 percent).



## The 2001 Crop Prices of Domestic Apples

### Plummeted in the Japanese Market

In the 2001 season, Japanese apples were traded at significantly lower prices (30 - 40 percent lower than the previous year) at the national wholesale market. The weak market was largely the result of a bumper crop of domestic apples (2001 production was up 16.4 percent from the previous year). In addition to the large volume shipped to the market, the 2001 crop of Tsugaru apples had quality problems, further depressing prices, according to Tokyo traders. The 2001 Japanese apple sales started with Tsugaru apples (an early-crop variety) in August with relatively favorable prices for growers. In September, Tsugaru prices started declining due to quality problems (the apple's flesh became soft, reducing the shelf-life of the fruit). In mid-October, Fuji crop (a late-crop variety) appeared in the market, but consumers' acceptance of Fuji apples was not as good as the industry expected. Fuji apples did not pick up market momentum for the rest of the 2001 season.

In the 2001/02 season, many Japanese supermarkets sold Fuji apples at 98 yen (\$0.80) per fruit. A similar quality fruit was sold at 128 - 150 yen (\$1.04 - \$1.22) in the previous year. Fuji apples were traded at 2,300 - 2,400 yen (\$18.78 - \$19.59) for a 10-kilogram box at Tokyo Ohta Wholesale Market. The 2002 crop Tsugaru is currently traded at 2,800 - 3,200 yen (\$22.86 - \$26.12) for a 10-kilogram box at Tokyo Ohta Market.

## Japanese Apple Imports were Only 349 Metric Tons in 2001

In the 2001 season, Japan imported 182 metric tons of apples from South Korea and 166 metric tons from Australia (Tasmania), both were significantly below 2000 levels. There were no imports of U.S. apples in 2001. Domestic apples traded at historically low prices at the national wholesale market, and weak Japanese market probably discouraged apple imports.

Korean Fuji apple taste, appearance and size, were excellent, according to Japanese traders and consumers, with the appearance of Korean Fujis were very similar to Japanese one. Like Japanese Fujis, Korean Fujis sold at about 100 yen (\$0.81) per fruit. Despite the counter-seasonal market advantage of apples from Australian, because of their relatively small size, consumer acceptance was somewhat weak.

### **Import Duties on Fresh Apples and Table Grapes**

These duties are not subject to further reductions outside the next round of WTO negotiations. The applicable import duties are as follows:

DESCRIPTION TARIFF CODE (HS)		DUTY RATE
Fresh Apples 0808.10-000		17.0%
Fresh Table Grapes 0806.10-000	3/1 - 10/31	17.0%
	11/1 - 2/28	7.8%

All duties are charged on a CIF basis.

## PS&D Tables and Trade Matrices

### Fresh Apple PS&D Table

PSD Table						
Country	Japan					
Commodity	Fresh Apples				(HA)(1000 TREES)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2000		07/2001		07/2002
Area Planted	46800	46800	46000	45900	0	45000
Area Harvested	43900	43900	43200	43100	0	42400
Bearing Trees	43000	43000	42400	42300	0	41600
Non-Bearing Trees	3800	3800	3730	3610	0	3400
Total Trees	46800	46800	46130	45910	0	45000
Commercial Production	712700	712700	797600	829500	0	812500
Non-Comm. Production	86900	86900	97200	101200	0	99400
TOTAL Production	799600	799600	894800	930700	0	911900
TOTAL Imports	2405	2405	3500	349	0	1000
TOTAL SUPPLY	802005	802005	898300	931049	0	912900
Domestic Fresh Consump	670759	672359	745900	776203	0	762900
Exports, Fresh Only	2246	2246	2400	6546	0	5000
For Processing	129000	127400	150000	148300	0	145000
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	802005	802005	898300	931049	0	912900

**Fresh Apple Export Trade Matrix**

Export Trade Matrix			
Country	Japan		
Commodity	Fresh Apples		
Time period	Jul. - Jun.	Units:	Metric Tons
Exports for:	2000		2001
U.S.	44	U.S.	46
Others		Others	
Taiwan	1596	Taiwan	5637
Hong Kong	257	Hong Kong	371
Thailand	224	Thailand	165
Indonesia	46	Singapore	119
Singapore	38	Indonesia	58
French Oceania	17	French Oceania	24
		Philippines	10
		Guam	8
Total for Others	2178		6392
Others not Listed	24		108
Grand Total	2246		6546

**Fresh Apple Import Trade Matrix**

Import Trade Matrix			
Country	Japan		
Commodity	Fresh Apples		
Time period	Jul. - Jun.	Units:	Metric Tons
Imports for:	2000		2001
U.S.	323	U.S.	0
Others		Others	
South Korea	1479	South Korea	182
Australia	603	Australia	167
Total for Others	2082		349
Others not Listed	0		0
Grand Total	2405		349

## Fresh Apple Wholesale Price Table

Prices Table			
Country	Japan		
Commodity	Fresh Apples		
Prices in	Yen	per uom	KG
Year	2001	2002	% Change
Jan	290	175	-39.66%
Feb	283	161	-43.11%
Mar	288	176	-38.89%
Apr	303	200	-33.99%
May	332	213	-35.84%
Jun	378	232	-38.62%
Jul	431	261	-39.44%
Aug	347		-100.00%
Sep	286		-100.00%
Oct	253		-100.00%
Nov	218		-100.00%
Dec	188		-100.00%
Exchange Rate	122.47	Local currency/US \$	

**Fresh Pear PS&D Table**

PSD Table						
Country	Japan					
Commodity	Fresh Pears					(HA)(1000 TREES)(MT)
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2000		07/2001		07/2002
Area Planted	19650	19650	19380	19350	0	19040
Area Harvested	18390	18390	18150	18100	0	17810
Bearing Trees	4420	4420	4390	4380	0	4340
Non-Bearing Trees	470	470	430	440	0	410
Total Trees	4890	4890	4820	4820	0	4750
Commercial Production	391300	391300	379800	365600	0	393200
Non-Comm. Production	32500	32500	32000	31400	0	33100
TOTAL Production	423800	423800	411800	397000	0	426300
TOTAL Imports	576	576	600	907	0	700
TOTAL SUPPLY	424376	424376	412400	397907	0	427000
Domestic Fresh Consump	420685	420685	408900	394586	0	423500
Exports, Fresh Only	3191	3191	3000	2821	0	3000
For Processing	500	500	500	500	0	500
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	424376	424376	412400	397907	0	427000

**Fresh Pear Export Trade Matrix**

Export Trade Matrix			
Country	Japan		
Commodity	Fresh Pears		
Time period	Jul .- Jun.	Units:	Metric Tons
Exports for:	2000		2001
U.S.	415	U.S.	376
Others		Others	
Hong Kong	1905	Hong Kong	1760
Taiwan	400	Taiwan	458
Singapore	174	Singapore	104
Netherlands	85	Netherlands	28
Canada	66	Malaysia	24
Malaysia	46	Australia	10
Australia	42	Germany	8
United Arab Emirates	22	Guam	7
Germany	14	Thailand	4
Thailand	10		
Total for Others	2764		2403
Others not Listed	12		42
Grand Total	3191		2821

**Fresh Pear Import Trade Matrix**

Import Trade Matrix			
Country	Japan		
Commodity	Fresh Pears		
Time period	Jul. - Jun.	Units:	Metric Tons
Imports for:	2000		2001
U.S.	0	U.S.	0
Others		Others	
South Korea	576	South Korea	907
Total for Others	576		907
Others not Listed	0		0
Grand Total	576		907

## Fresh Pear Wholesale Price Table

Prices Table			
Country	Japan		
Commodity	Fresh Pears		
Prices in	Yen	per uom	KG
Year	2001	2002	% Change
Jan	223	214	-4.04%
Feb	209	214	2.39%
Mar	201	213	5.97%
Apr	198	167	-15.66%
May	229	307	34.06%
Jun	1005	927	-7.76%
Jul	512	390	-23.83%
Aug	286		-100.00%
Sep	195		-100.00%
Oct	203		-100.00%
Nov	246		-100.00%
Dec	305		-100.00%
Exchange Rate	122.47	Local currency/US \$	

## Fresh Table Grape PS&amp;D Table

PSD Table						
Country	Japan					
Commodity	Fresh Table Grapes				(HA)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Area Planted	21300	21200	0	21000	0	20800
Area Harvested	20000	19900	0	19700	0	19500
Commercial Production	214600	206400	0	214800	0	215000
Non-Comm. Production	19600	19000	0	20400	0	20800
TOTAL Production	234200	225400	0	235200	0	235800
TOTAL Imports	15000	11510	0	13000	0	17324
TOTAL SUPPLY	249200	236910	0	248200	0	253124
Domestic Fresh Consump	219180	209574	0	219670	0	224600
Exports, Fresh Only	20	36	0	30	0	24
For Processing	30000	27300	0	28500	0	28500
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	249200	236910	0	248200	0	253124

**Fresh Table Grape Export Trade Matrix**

Export Trade Matrix			
Country	Japan		
Commodity	Fresh Table Grapes		
Time period	Jan. - Dec.	Units:	Metric Tons
Exports for:	2000		2001
U.S.	0	U.S.	0
Others		Others	
Hong Kong	23	Hong Kong	36
Total for Others	23		36
Others not Listed	0		0
Grand Total	23		36

**Fresh Table Grape Import Trade Matrix**

Import Trade Matrix			
Country	Japan		
Commodity	Fresh Table Grapes		
Time period	Jan. - Dec.	Units:	Metric Tons
Imports for:	2000		2001
U.S.	5206	U.S.	3222
Others		Others	
Chile	7700	Chile	7784
Taiwan	215	Mexico	345
Mexico	49	Taiwan	122
New Zealand	29	New Zealand	23
China	9	China	11
South Korea	8	South Korea	2
Total for Others	8010		8287
Others not Listed	2		1
Grand Total	13218		11510

## Fresh Table Grape Wholesale Price Table

Prices Table			
Country	Japan		
Commodity	Fresh Table Grapes		
Prices in	Yen	per uom	KG
Year	2001	2002	% Change
Jan	631	587	-6.97%
Feb	548	529	-3.47%
Mar	585	605	3.42%
Apr	2920	2640	-9.59%
May	1673	1556	-6.99%
Jun	1044	917	-12.16%
Jul	890	735	-17.42%
Aug	589		-100.00%
Sep	521		-100.00%
Oct	533		-100.00%
Nov	697		-100.00%
Dec	591		-100.00%
Exchange Rate	122.47	Local currency/US \$	